

DHMH

Maryland Department of Health and Mental Hygiene

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Robert L. Ehrlich, Jr., Governor - Michael S. Steele, Lt. Governor - Nelson J. Sabatini, Secretary

Office of Operations & Eligibility
Medical Care Programs

Joseph E. Davis
Executive Director

MARYLAND MEDICAL ASSISTANCE PROGRAM Pharmacy Transmittal No. 172

January 29, 2004

Pharmacies

FROM: Joseph E. Davis, Executive Director
Office of Operations and Eligibility



NOTE: Please ensure that appropriate staff members in your organization are informed of the contents of this transmittal.

Changes to Estimated Acquisition Cost of Drugs

Effective February 1, 2004, the department will revise the method used to determine the estimated acquisition cost (EAC) for the drug portion of prescriptions paid under the Maryland Medicaid Pharmacy Program, the Maryland Pharmacy Assistance Program and the Maryland Pharmacy Discount Program. The new method to determine the EAC will be the lowest of the Average Wholesale Price minus twelve percent (AWP-12), Wholesale Acquisition Cost plus eight percent (WAC+8%), Direct Price plus eight percent or the Distributor's price plus eight percent.

Questions concerning this transmittal should be directed to the Division of Pharmacy Services 410-767-1455.